

PROGRESS REPORT

LEGISLATIVE COUNCIL INTERIM COMMITTEE

**NATURAL RESOURCES
2005**

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Natural Resource Issues Interim Committee HCR 25 (2005)

Members of the Committee:

Senator Don Burtenshaw, Co-chair	Representative Dell Raybould, Co-chair
Senator Gary Schroeder	Representative Bert Stevenson
Senator Stan Williams	Representative Scott Bedke
Senator Chuck Coiner	Representative Jim Clark
Senator Clint Stennett	Representative Wendy Jaquet

Ad Hoc Members of the Committee:

Senator Brad Little
Senator Skip Brandt
Representative Mike Moyle
Representative Jack Barraclough
Representative Peter Nielsen
Representative Donna Pence

Staff: Katharine Gerrity, Toni Hobbs, Ray Houston

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NATURAL RESOURCES INTERIM COMMITTEE

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Charge

The Natural Resources Interim Committee is a two-year committee formed in 2005 pursuant to the authority of HCR 25. The resolution authorized the Committee to undertake and complete a study of various natural resource issues in the state including continued study and evaluation of ways to stabilize the water distribution system in Idaho. The Committee was directed to make a progress report to the Second Regular Session of the Fifty-eighth Idaho Legislature.

Meetings

The Committee met in Boise on June 10, 2005, and on October 28, 2005. The Committee also appointed a recharge advisory subcommittee that met in Twin Falls on August 23, 2005, and in Burley on December 14, 2005.

Scope of Study

The Natural Resources Interim Committee conducted its first meeting of the interim in Boise on June 10, 2005. During the meeting, the Committee was briefed by Department of Water Resource personnel as to the status of implementation of relevant legislation passed during the 2005 session. The Committee was informed that a final asset purchase and sale agreement regarding the Bell Rapids purchase was completed May 10, 2005, with closing scheduled for June 15. In terms of the Bureau of Reclamation water exchange, the Committee learned that applications were in process for the determination of eligibility for the exchange.

The Farm Service Agency also addressed the Committee in June relating to progress being made with the Conservation Reserve Enhancement Program (CREP). According to agency personnel, a proposal was submitted to the USDA in April of 2005, and the FSA National Office responded in May with a request for clarification relating to a number of components of the proposal, many of which were technical in nature. The

agency informed the Committee that the first draft of the programmatic environmental assessment, which reviews all environmental impacts the program would have, was submitted for comment.

Director Karl Dreher, Department of Water Resources, provided the Committee with information relating to projected expenses for monitoring conditions of the ESPA, modeling, and accounting relating to the appropriation passed during the 2005 session. In addition, the group received an update regarding the status of the 2005 water supply as compared to 2004. Director Dreher also provided members with a summary of a number of basins throughout the state and an update relating to various curtailment orders and mitigation efforts.

In addition, Idaho Department of Water Resource personnel briefed the Committee about the managed recharge action plan and strategies for addressing institutional barriers to managed recharge. The Committee learned that fine grained soils present a challenge for successful, long-term managed recharge and that soil clogging is the leading detrimental factor affecting recharge capacity. The use of natural basins as originally outlined has a low potential for success. The plan is to design and construct infiltration basins with known recharge capacities. The Department went on to present several specific proposed projects for fiscal year 2006. The Department indicated that ground water-to-surface water conversions should be considered part of the recharge program due to similar hydrologic benefits and also presented a number of specific conversion projects for future consideration.

Another presentation by the Department to the Committee in June involved domestic water use policy and an action plan for addressing domestic use issues and problems. Representative from the counties and cities also testified including the City of Eagle which enacted an ordinance requiring developers to bring sufficient water into the system to deal with the requirements of their developments.

Pursuant to the provisions of HCR 25, the cochairmen of the Committee were authorized to appoint advisors with technical expertise in the water supply arena and were also authorized to receive input from stakeholders in the water rights system of Idaho to attempt to stabilize the water delivery system in the state. Accordingly, during the June meeting, members authorized the cochairmen to appoint a subcommittee to study issues relating to recharge and to make recommendations to the Committee.

The Committee concluded the June meeting with an update relating to the Snake River Water Rights Agreement of 2004 and a discussion about a federal court ruling out of Portland relating to salmon and operations of the Columbia River's hydroelectric dam system.

A recharge advisory subcommittee was subsequently appointed by the cochairmen and the group held its first meeting in Twin Falls on August 23, for the purpose of reviewing a number of the potential recharge projects in more detail. Members of the

subcommittee include Senator Burtenshaw, Representative Raybould, Gary Lemmon (Thousand Springs Water Users), Dan McFaddan (Lower Snake River Aquifer Recharge District), Lynn Carlquist (North Snake Ground Water District), Dean Stevenson (Magic Valley Ground Water District), Ted Diehl (North Side Canal Company), Lynn Harmon (American Falls Recharge District #2), Terry Huddleston (Idaho Water Alliance), Dan Temple (A & B Irrigation District), Jerry Rigby (Idaho Water Resource Board), and Don Hale (Committee of Nine). During that meeting, the subcommittee agreed to return recommendations to the full interim committee including a recommendation for a specific project known as the W-Canal Recharge Project.

The Committee met again in Boise on October 28, 2005. During the meeting, members received updates relating to conjunctive management litigation in the State of Idaho, a number of ongoing cases in federal district court in Oregon, the Hells Canyon relicensing process, the status of the Nez Perce Agreement and progress relating to the Conservation Reserve Enhancement Program (CREP).

Personnel from the Department of Water Resources made a presentation regarding potential recharge sites, focusing on issues and challenges including water availability, organization structure and funding, recharge site development and site operation. The subcommittee, as noted above, recommended proceeding with the recharge site near Wendell known as the W-Canal. The Department relayed that it had secured funding for the site with the exception of approximately \$82,000. The Committee voted to allocate remaining ESPA Mitigation Grant Fund monies in the amount of \$81,948 to the Water Resource Board to be used for the W-Canal Recharge project. The recharge advisory subcommittee also outlined strategies it believes the state should follow concerning managed recharge on the Eastern Snake Plain, identifying a number of primary considerations including the potential establishment of an aquifer management authority, realization of the recharge capability of canals, water source availability, and establishment of funding for aquifer management and recharge.

During the October meeting, staff from the Attorney General's Office presented a survey of domestic water use comparing 13 western states and their requirements, regulations and authorities relating to domestic wells. In addition, the Committee received an update from the Department regarding the status of water district creations primarily on the Eastern Snake Plain.

On December 14, the recharge advisory subcommittee met again in Burley for its final meeting. The meeting focused on further discussion relating to the recommendations made to the full Committee at the October meeting. Specifically, the group discussed the formation of an aquifer management authority as well as the availability of long term recharge water. The Water Resource Board agreed to develop a proposal relating to the formation of a management authority that would be operated under the facilitation of the Board, along with a budget. The subcommittee subsequently voted that the concept presented in the group's recommendations to the interim committee, along with a detailed plan to be developed by the Water Resource Board, be presented to the

appropriate Legislative committees and the Legislature.

During the course of the meeting, the subcommittee also received an update regarding the status of the W-Canal Project that was approved by the Committee during the October meeting. In addition, members were advised that the final proposal relating to CREP was submitted on December 2, and is now in the hands of the Department of Agriculture in Washington, D.C. The Attorney General's Office indicates that all critical steps are in the final process including a related environmental assessment that is in draft form. Those involved in submission of the proposal hope to see a sign-up period no later than early spring, 2006.

Speakers

The Committee and subcommittee heard from a wide range of individuals and groups. Following is a list of people, groups or agencies that testified or provided comments during one or more of the meetings:

Mr. Charlie Barnes, Office of Congressman Simpson
Natural Resources Division, Idaho Attorney General's Office

Mr. Clive Strong, Division Chief

Mr. Michael Orr

Idaho Department of Water Resources

Director Karl Dreher

Mr. Hal Anderson

Mr. Dave Tuthill

Mr. Phil Rassier

Mr. David Blew

Mr. Brian Patton

Bureau of Reclamation

Mr. Rich Rigby

Mr. Mike Bens

Mr. Norm Semanko, Idaho Water Users Association

Mr. Jay Engstrom, Idaho Department of Commerce

Mr. Wayne Hammon, Farm Service Agency

Mr. Jerry Rigby, Idaho Water Resource Board

Mr. Tim Deeg, Idaho Ground Water Users

Mr. Dan Chadwick, Idaho Association of Counties

Mr. Ken Harward, Idaho Association of Cities

Ms. Nancy Merrill, Mayor of Eagle

Mr. Vern Brewer, Holiday Engineering

Mr. Lynn Tominaga, Idaho Ground Water Appropriators

Mr. Brian Higgs, Waterwell Consultation

Mr. Dick Rush, Idaho Association of Commerce and Industry

Mr. Bill Hazen, University of Idaho Cooperative Extension

Mr. Pat Madarieta, Idaho Department of Commerce and Labor

Recommendations

At this time, the Committee through its established subcommittee, is awaiting the development by the Water Resource Board of a proposal relating to the formation of a recharge management authority that would be operated under the facilitation of the Board, along with development of a budget. There are no specific recommendations to be made at this time. Subsequent to review of the noted proposal, recommendations and a plan may be presented to the appropriate Legislative committees and the Legislature.